

Senate Amendment 3290

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1 1 Amend the amendment, S=3196, to House File 543, as
1 2 passed by the House, as follows:
1 3 #1. Page 1, by striking lines 5 through 32 and
1 4 inserting the following:
1 5 <<Sec. _____. NEW SECTION. 514C.21 MANDATED
1 6 COVERAGE FOR NEUROBIOLOGICAL DISORDERS AND UNDERLYING
1 7 CO=MORBIDITY.
1 8 1. For purposes of this section, unless the
1 9 context otherwise requires:
1 10 a. "Co=morbidity" means the coexistence of
1 11 conditions or diagnosable disorders such as
1 12 neurobiological disorders and substance abuse.
1 13 b. "Neurobiological disorder" means the following:
1 14 (1) Schizophrenia and other psychotic disorders.
1 15 (2) Affective disorders.
1 16 (3) Anxiety disorders.
1 17 (4) Pervasive developmental disorders.
1 18 (5) Attention deficit hyperactivity disorder and
1 19 related disorders.
1 20 (6) Disorders identified in childhood and
1 21 adolescence.
1 22 The commissioner, by rule, shall identify the
1 23 neurobiological disorders covered by this definition,
1 24 consistent with the guidelines provided in the most
1 25 recent edition of the American psychiatric
1 26 association's diagnostic and statistical manual of
1 27 mental disorders, as such definitions may be amended
1 28 from time to time. The commissioner may adopt the
1 29 definitions provided in the manual by reference.
1 30 c. "Rates, terms, and conditions" means any
1 31 lifetime or annual payment limits, deductibles,
1 32 copayments, coinsurance, and any other cost=sharing
1 33 requirements, out-of-pocket limits, visit limitations,
1 34 and any other financial component of benefits coverage
1 35 that affects the covered individual.
1 36 d. "Substance abuse" means a pattern of
1 37 pathological use of alcohol or a drug that causes
1 38 impairment in social or occupational functioning, or
1 39 that produces physiological dependency evidenced by
1 40 physical tolerance or by physical symptoms when the
1 41 alcohol or drug is withdrawn.
1 42 2. a. Notwithstanding the uniformity of treatment
1 43 requirements of section 514C.6, a policy, contract, or
1 44 plan providing for third-party payment or prepayment
1 45 of health, medical, and surgical expenses shall
1 46 provide coverage benefits for treatment for
1 47 neurobiological disorders and underlying co=morbidity
1 48 based on rates, terms, and conditions that are no more
1 49 restrictive than the rates, terms, and conditions for
1 50 coverage benefits provided for other health or medical
2 1 conditions under the policy, contract, or plan.
2 2 b. Any restrictions or limitations with respect to
2 3 rates, terms, and conditions involving deductibles,
2 4 copayments, coinsurance, and any other cost=sharing
2 5 requirements shall be cumulative for coverage of
2 6 treatment for neurobiological disorders and underlying
2 7 co=morbidity and other health or medical conditions
2 8 under a policy, contract, or plan. A policy,
2 9 contract, or plan subject to this section shall not
2 10 impose an aggregate lifetime or annual limit on
2 11 treatment for neurobiological disorders or underlying
2 12 co=morbidity coverage benefits unless the policy,
2 13 contract, or plan imposes an aggregate lifetime or
2 14 annual limit on substantially all health, medical, or
2 15 surgical coverage benefits. A policy, contract, or
2 16 plan subject to this section that imposes an aggregate
2 17 lifetime or annual limit on substantially all health,
2 18 medical, or surgical coverage benefits shall not
2 19 impose an aggregate lifetime or annual limit on
2 20 treatment for neurobiological disorders or underlying
2 21 co=morbidity coverage benefits that is less than the

2 22 aggregate lifetime or annual limit imposed on
2 23 substantially all health or medical coverage benefits.
2 24 c. Coverage required under this section shall be
2 25 for the treatment of neurobiological disorders and
2 26 underlying co-morbidity, for services provided by a
2 27 health professional licensed under chapter 147A, 148,
2 28 150A, 152, 154B, 154C, or 154D, for services provided
2 29 in a hospital, clinic, office, community mental health
2 30 center, health care facility, outpatient treatment
2 31 facility, residential treatment facility, halfway
2 32 house, or similar facility for the provision of health
2 33 care services, and for services provided pursuant to
2 34 the comprehensive program for treatment for substance
2 35 abuse maintained by the department of public health
2 36 pursuant to section 125.12 in a hospital licensed
2 37 under chapter 135B or a facility licensed under
2 38 chapter 125.

2 39 3. This section applies to the following classes
2 40 of third-party payment provider policies, contracts,
2 41 or plans delivered, issued for delivery, continued, or
2 42 renewed in this state on or after January 1, 2004:

2 43 a. Individual or group accident and sickness
2 44 insurance providing coverage on an expense-incurred
2 45 basis.

2 46 b. An individual or group hospital or medical
2 47 service contract issued pursuant to chapter 509, 514,
2 48 or 514A.

2 49 c. A plan established pursuant to chapter 509A for
2 50 public employees.

3 1 d. An individual or group health maintenance
3 2 organization contract regulated under chapter 514B.

3 3 e. An individual or group Medicare supplemental
3 4 policy, unless coverage pursuant to such policy is
3 5 preempted by federal law.

3 6 f. Any other entity engaged in the business of
3 7 insurance, risk transfer, or risk retention, which is
3 8 subject to the jurisdiction of the commissioner.

3 9 g. An organized delivery system licensed by the
3 10 director of public health.

3 11 4. The commissioner shall adopt rules pursuant to
3 12 chapter 17A to administer this section.

3 13 Sec. _____. INSURANCE DIVISION STUDY IN CONJUNCTION
3 14 WITH STATE AUDITOR.

3 15 1. The insurance division of the department of
3 16 commerce, in conjunction with the auditor of state,
3 17 shall conduct a study of the cost of providing
3 18 neurobiological disorder coverage benefits in Iowa.

3 19 2. The study shall assess at least all of the
3 20 following:

3 21 a. Identification of the costs attributed to
3 22 treatment of neurobiological disorders, and to
3 23 underlying co-morbidity.

3 24 b. An estimate of the impact of mandated coverage
3 25 on health care coverage benefit costs and
3 26 availability.

3 27 c. Actions taken by the division to ensure that
3 28 third-party payors subject to this Act are in
3 29 compliance.

3 30 d. Identification of any segments of the
3 31 population of this state that may be excluded from or
3 32 have limited access to treatment, including the number
3 33 of citizens that may be excluded from or have limited
3 34 access to treatment under third-party payor policies
3 35 or contracts provided by employers who receive
3 36 substantial revenue from public sources.

3 37 3. The insurance division shall submit a written
3 38 report to the general assembly on or before January
3 39 30, 2005.

3 40 Sec. _____. DEPARTMENT OF PUBLIC HEALTH STUDY.

3 41 1. The department of public health shall conduct a
3 42 two-year study of the mental health delivery system in
3 43 Iowa, beginning July 1, 2003.

3 44 2. The study shall include participation by at
3 45 least all of the following:

3 46 a. Representatives of professional health care
3 47 groups licensed under chapters 147A, 148, 150A, 152,
3 48 154B, 154C, and 154D.

3 49 b. Representatives of associations or other groups
3 50 representing hospitals, clinics, community mental
4 1 health centers, community corrections and prison
4 2 corrections, health care facilities, outpatient

4 3 treatment facilities, and any other facility offering
4 4 mental health services.
4 5 c. County supervisors, representatives from the
4 6 department of human services, judges, mental health
4 7 advocates, and other state or county officials
4 8 involved in the provision of mental health services.
4 9 d. Consumers, family members, and patients.
4 10 3. The participants in the study shall assess the
4 11 relevant issues facing the mental health delivery
4 12 system in Iowa, and shall prepare a report with
4 13 recommendations for presentation to the general
4 14 assembly no later than November 1, 2005.>
4 15 #____. Title page, by striking lines 1 through 3 and
4 16 inserting the following: <An Act requiring third=
4 17 party providers of policies, contracts, or plans that
4 18 provide payment or prepayment of health or medical
4 19 expenses to provide coverage for neurobiological
4 20 disorders and underlying co-morbidity based on rates,
4 21 terms, and conditions that are no more restrictive
4 22 than the rates, terms, and conditions for other health
4 23 or medical conditions under the policy, contract, or
4 24 plan, and providing for studies by the insurance
4 25 division of the department of commerce, and by the
4 26 department of public health.>
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4 30 MARY A. LUNDBY
4 31 HF 543.302 80
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